countries with the consuming countries of Asia was first proposed by the then Minister (P&NG) at the Thrid Asian Gas Buyers' Summit, in New Delhi, on February 14-15, 2005. A presentation on the subject was made by a private international energy consultancy organization at the Ministerial Round Table of North and Central Asian Oil Producers with Principal Asian Consumers, in New Delhi, on 25 November, 2005. The proposal envisaged the setting up of a series of transnational gas pipelines linking Asian producing and consuming countries to form an "Asian Gas Grid". As per the presentation, 22,000 km. of additional pipelines would have to be set up in Asia, costing about US $22 billion.

Though the Government is pursuing a number of transnational pipeline proposals to import gas from neighbouring countries, there is no concrete proposal pertaining of the Asian Gas Grid before the Government at present.

Supply of Gas to power stations

1565. SHRI EKANATH K. THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that power and fertilizer companies are virtually gas-strapped as his Ministry has told the Ministry of Power that there will be no fresh or additional gas supplies in India till 2008;

(b) whether It is also a fact that this will stall planned power capacities of almost 5000 MWIH in the next two years; and

(c) if so, the action Government propose to take to supply enough gas to existing gas based power stations that are running below capacity for want of gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) At present, there is a gap between the demand and supply of natural gas in the country. As against the total availability of natural gas of around 92 MMSCMD, including 18 MMSCMD of imported regasified Liquefied Natural Gas (RLNG), the estimated demand of natural gas in the country is around 150 MMSCMD. Natural gas is available at APM (Administered Pricing Mechansim) price and at market related prices. While APM gas has been allocated to various units by the Government, the consumer units have to tie up with the gas suppliers directly for non-APM gas. In accordance with the Government policy, all available APM gas is supplied only to the power and fertilizer sector consumers against their existing allocations along with the specific

end users committed under court orders as well as small scale consumers having allocations upto 0.05 MMSCMD. The position about availability of gas is regularly shared with the Ministry of Power.

(b) Power projects developers are expected to enter into firm tie-ups for fuel supplies before executing such projects. The Cental Electricity Authority has reported that many proposals for gas based power plants which were planned for commissioning during the last year of Tenth Plan or in the beginning of Eleventh Plan have been delayed due to non-tie-up of gas availability.

(c) The steps taken to increase the availability of natural gas in the country include efforts for increasing domestic gas production under New Exploration Licensing Policy, import of liquefied natural gas and initiatives for gas imports through transnational pipelines.

Petrochemical Project at Mangalore

1566. SHRI K.B. KRISHNAMURTHY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a Memorandum of Understanding between the Oil and Natural Gas Corporation and the State Government of Karnataka to set up the Rs. 21,000 crore petrochemicals project in Mangalore was signed recently;

(b) if so, when it was signed;

(c) whether Government have cleared the proposed project as per the original plans; and

(d) by when, it will become operational?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) and (b) As informed by Oil and Natural Gas Corporation Limited (ONGC), the projects engisaged in the Memorandum of Understandings (MoU) signed on 30.08.2004 between ONGC on the one hand and the Government of Karnataka through the Karnataka Industrial Area Development Board (KIADB) and Kanara Chamber of Commerce and Industries (KCCI) on the other hand, *inter-alia* include a Cracker and a Polyolefin Plant.

(c) The Board of Directors of ONGC is empowered to clear the projects within their Navaratna Power.

(d) Pending completion of the detailed techno-economic Feasibility Studies by MRPL/ONGC and decision of the Board thereon, no details of time schedule of the completion of the project can be fixed.